

**FIRST AMENDMENT TO MANAGEMENT AGREEMENT
PERSHING AUDITORIUM
Lincoln, Nebraska**

This First Amendment to Management Agreement Pershing Auditorium Lincoln, Nebraska ("First Amendment") is made and entered into as of this _____ day of _____, 2013 by and between the City of Lincoln, Nebraska, a municipal corporation, and SMG, a Pennsylvania general partnership.

RECITALS

A. The parties have previously entered into a four year Management Agreement dated September 1, 2005 regarding the City's grant to and SMG's acceptance of the exclusive right to manage, market, promote and operate Pershing Auditorium as provided in the Management Agreement. The Management Agreement was automatically extended on September 1, 2009 for an additional four years terminating on August 31, 2013.

B. The parties desire to enter into this First Amendment to extend the Management Agreement commencing on September 1, 2013 for an additional fourteen (14) months, terminating on October 31, 2014.

NOW, THEREFORE, in consideration of the above Recitals and the mutual benefits and conditions in this First Amendment, the City and SMG agree as follows:

1. That Section III of the Management Agreement be amended to read as follows: The City hereby grants to SMG and SMG hereby accepts the exclusive right to manage, market, promote, operate and maintain the Auditorium as provided in this Agreement; except that SMG shall not enter into any new bookings for the use of the Auditorium during the period of time from August 31, 2014 through October 31, 2014 without the Mayor's approval.

2. That Section IX of the Management Agreement be amended to read as follows: The term of this Agreement shall commence on September 1, 2005 and shall expire on October 31, 2014.

3. That Subsection A of Section XV of the Management Agreement be amended to read as follows:

A. **Fixed Fee.** As base compensation to SMG for providing the services herein specified during the Management Term, the City shall pay ~~an annual~~ a monthly fixed fee of \$2,000.00 ~~\$100,000~~, which amount shall be adjusted upward on the first day of each Contract Year, during the term hereof by the percentage change in the Consumer Price Index. All Urban Consumers (CPI-U) Lincoln, Nebraska, MSA Average, all items, during the one year period immediately preceding such Contract Year, as published by the Bureau of Labor Statistics of the U.S. Department of

~~Labor, or of any revised or successor index. The Fixed Fee annual adjustment is capped at five (5) percent annually. The monthly Fixed Fee shall be payable in equal monthly installments due on the first day of each month during such Contract Year, and SMG shall be entitled to draw such amounts from the account described in Section XVII. The initial Management Fee paid by the City to SMG was \$8,333 per month beginning September 1, 2005.~~

4. That all other terms and conditions of the Management Agreement shall remain in full force and effect.

WITNESS whereof the undersigned have executed this First Amendment as of the date here first above written.

ATTEST:

CITY OF LINCOLN, NEBRASKA
a municipal corporation,

City Clerk

By: _____
Chris Beutler, Mayor

SMG,
a Pennsylvania general partnership,

By: _____
Name: _____
Title: _____